

Application No.: 10/036,009

Docket No.: 65316-0008

**REMARKS**

The present amendment is intended to be fully responsive to the Office Action having a mailing date of August 24, 2005, wherein claims 1-16 and 18-21 have been rejected. By this amendment, independent claims 1 and 18-21 have been amended. Claim 17 has been previously canceled. Applicant submits that no new matter has been added by this amendment and that support for the claims may be found throughout the specification and drawings.

**35 U.S.C. § 102/103**

Claims 1-16 and 18-21 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent Application No. 2004/0210449 issued to *Breck et al.* Claim 10 is rejected under 35 U.S.C. § 103(a) as being unpatentable over *Breck et al.* Applicant respectfully traverses.

“To anticipate a claim, the reference must teach every element of the claim. A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987). The identical invention must be shown in as complete detail as is contained in the ... claim. *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989).

Amended independent claim 1 now recites an electronic settlement apparatus that includes, among other things, “memory for storing discount points representing a property value to be associated with a user to which the said discount points are assigned; and a processor, wherein said processor obtains goods data that designates goods and use point data that designates an amount to be appropriated for the price of the said goods, decides the discount points to be newly assigned to said user based on said obtained goods data, generates temporary balance data representing a result obtained by varying the discount points stored in said memory by amount corresponding to a value obtained by subtracting the discount points designated by use point data from the discount points decided to be newly assigned to said user, and when settlement data, which represents that settlement of purchase of said goods is completed, is supplied, said processor decides that goods represented by said goods data is goods that said user will purchase and updates, in response to the decision of goods that said user will purchase, said

Application No.: 10/036,009

Docket No.: 65316-0008

discount points stored in said memory according to the result represented by said temporary balance data whereby said discount points stored in said memory are prevented from being permanently updated based on incomplete or interrupted transactions until after said settlement data is supplied to said processor." Claims 18-21 recite method and apparatus claims that include limitations similar to the foregoing limitation recited in amended claim 1. Support for the amendments can be found on page 25, line 16 through page 28, line 5 of the specification; Figs. 3B and 3C, steps S305 and S306.

Applicant submits that *Breck et al.* discloses an operation of the Secondary Transaction Number (STN) system to pass a credit request to reduce available Membership Rewards (MR) points or to create a credit against the billing transaction that will offset the charge transaction according to the transaction record (See paragraphs 103 and 107). This suggests that each change in the cardholder's balance takes place as a permanent result of a set of transactions and any correction in the balance that could be required afterward will be made by means of creating another credit to offset the error to be corrected. Contrarily, amended independent claim 1 now recites, among other things, an electronic settlement system that, "generates temporary balance data representing a result obtained by varying the discount points stored in said memory by amount corresponding to a value obtained by subtracting the discount points designated by use point data from the discount points decided to be newly assigned to said user, and when settlement data, which represents that settlement of purchase of said goods is completed, is supplied, said processor decides that goods represented by said goods data is goods that said user will purchase and updates, in response to the decision of goods that said user will purchase, said discount points stored in said memory according to the result represented by said temporary balance data whereby said discount points stored in said memory are prevented from being permanently updated based on incomplete or interrupted transactions until after said settlement data is supplied to said processor." Applicant submits that the present invention differs from *Breck et al.* in that the MR account according to the reference is updated every time the user makes a purchase rather than only after settlement data has been supplied to the processor as according to the invention.

Further, *Breck et al.* discloses the operation of checking again an already checked MR account balance at the moment an STN system identifies the associated actual account

Application No.: 10/036,009

Docket No.: 65316-0008

number for the STN and recognizes the account as the MR account (See paragraph 106). Applicant submits that this has no relation to generating temporary balance data, updating the discount points according to the temporary balance data, or preventing the cardholder's balance from being permanently updated based on an incomplete or interrupted transaction. For at least these reasons, claims 1-16 and 18-21 are patentable as well as the dependent claims.

### CONCLUSION

In view of the above, each of the presently pending claims in this application is believed to be in immediate condition for allowance. Accordingly, it is respectfully requested to pass this application to issue.

Applicant believes no fee is due with this response. However, if a fee is due, please charge our Deposit Account No. 18-0013, under Order No. 65316-0008 from which the undersigned is authorized to draw.

Dated: January 11, 2006

Respectfully submitted,

By 

Robert L. Kelly

Registration No.: 34,412

Lionel D. Anderson

Registration No.: 50,571

RADER, FISHMAN &amp; GRAUER PLLC

39533 Woodward Avenue

Suite 140

Bloomfield Hills, Michigan 48304

(248) 594-0600

Attorney for Applicant